



Trading Symbols

AIM: AGQ

TSX-V: AGQ

“PLUS”: AGQ

FWB: I3A

20 July, 2011

ARIAN SILVER ANNOUNCES SIGNIFICANT INCREASE IN MINERAL RESOURCES AT SAN JOSE

London, England, Arian Silver Corporation ("Arian" or the "Company") (TSXV: AGQ) (AIM: AGQ) (FRANKFURT: I3A), a silver exploration, development and production company with a focus on projects in the silver belt of Mexico, today announced the results of its updated Canadian National Instrument (NI) 43-101 mineral resource estimates for its 100% owned San Jose Property, located in Zacatecas State, Mexico. The updated mineral resource estimates have been independently supervised by Mr. Malcolm Titley, BSc, MAIG, Principal Consultant, CSA Global (UK) Limited.

Highlights:

- **86% increase in resource tonnage along the San Jose Vein (SJV) from the August 2008 mineral resource estimate, a copy of which is available under Arian's SEDAR profile at www.sedar.com;**
 - **10% higher average silver grade;**
 - **105% increase in contained silver, and;**
 - **34% of gross silver mineral content now in the indicated category.**
- **Mineral resource estimates based on all Phase-1, 2 and 3 drill holes (152 drill holes totaling over 28,000 metres);**
- **Mineralisation remains completely open along the western strike and to depth, and;**
- **Phase-4 drill programme underway with 5 holes for 1,745 metres completed so far.**

The in-situ resources comprises 8,000,000 gross tonnes in the indicated mineral resource category, containing 30.03 million (M) ounces (oz) silver (Ag), 69.9 M pounds (lbs) of lead (Pb) and 126.6 M lbs of zinc (Zn) at an average grade of 117 g/t Ag, 0.40% Pb and 0.72% Zn; and 17,000,000 gross tonnes in the inferred mineral resource category, containing 58.42 M oz Ag, 140.1 M lbs of Pb, and 291.1 M lbs of Zn at an average grade of 107 g/t Ag, 0.37% Pb and 0.78% Zn.

Commenting on today's operations update, Arian's Chief Executive Officer, Jim Williams, said:

“Today's updated mineral resource confirms the potential for large scale silver mining at San Jose. Overall contained silver has increased by over 100% from the Company's resource estimates from August 2008,

and with some 34% of the resource now in the indicated category. As previously announced there are several wide intercepts of high grade silver and base metal mineralization within the existing SJV resource envelope, which remain to be fully quantified. Almost 3 kilometres of westerly SJV strike and over 2 kilometres of strike to the east remain to be drilled and we still have a number of additional targets to drill within the property. For example, a second vein to the south, the Bety Vein, is parallel with the SJV and surface samples have returned grades of up to 500 g/t of silver. We believe this vein also has potential to contain significant silver mineralization. In addition, stockwork-style mineralization also remains largely untested within the property and the SJV itself has only been drilled to approximately 250 metres depth and remains open in this domain as well as to the west and east.

We believe the San Jose Project still has much more upside to offer and we have already begun a Phase-4 drill programme to continue evaluation of the various untested mineral systems.”

Update on Phase-4 drill programme

Drilling continues with the Company’s recently started Phase-4 programme where forty drill holes are currently planned. The Phase-3 drill programme, which was completed after drilling a total of 10,224 meters for 44 holes was concentrated in the areas between Solidaridad and Santa Ana (8 holes) and east and then west of the village of Guanajuatillo (36 holes).

The updated mineral resource estimates are summarized in the table below, and a schematic plan showing the location of the updated resources in relation to the San Jose Vein strike is available at the link provided below:

http://www.ariansilver.com/i/pdf/SJ_Schematic.pdf

San Jose Mineral Resource Estimate

Resource Category	Gross Tonnage Contained Metal	Average Grade			Contained Metal		
		Ag (g/t)	Pb (%)	Zn (%)	Ag (Moz)	Pb (Mlbs)	Zn (Mlbs)
Indicated	8,000,000	117	0.40	0.72	30.03	69.90	126.60
Inferred	17,000,000	107	0.37	0.78	58.42	140.10	291.10

1. Geological characteristics and +30 ppm grade envelopes used to define resource volumes
2. Each mineral resource estimate is in accordance with CIM standards
3. The effective date of each mineral resource estimate is 15th July 2011
4. The estimates are based on geological, statistical and geostatistical data assessment and computerized IDW3, Ag grade wireframe restricted, linear block modeling.
5. * Tonnages have been rounded to reflect this as an estimate
6. ** Contained ounces have been calculated using 1 oz = 31.1035 g
7. *** Contained pounds have been calculated using 1 T = 2204.6226 lbs

The updated mineral resource estimate does not include any data from the Company’s Phase-4 drill programme. To date the Company has completed 5 holes for 1,745 metres, representing approximately 17.5% of our planned Phase-4 10,000m programme. This drill programme has been designed with two principal objectives; firstly, to define additional resources and secondly, to gain additional information about metals distribution and controls on mineralization that can be used to further upgrade known resources.

QA/QC

All technical information for the San Jose Project is obtained and reported under a formal quality assurance and quality control (QA / QC) programme. The core is logged and photographed by Arian staff and then split using a diamond saw. Half the core is stored on-site in a secure core shed and the other half is labelled, bagged and secured before transporting to Stewart Group's sample preparation facility in Zacatecas, Mexico. Each sample has its own unique sample number. The entire half-core is crushed to minus 10 mesh and a half kilogram riffle split is pulverized and homogenized to minus 200 mesh. The pulp samples are then air freighted to Stewart Group's analytical laboratory in Canada for analysis. Systematic assaying of duplicates, blanks and certified reference material is performed for precision and accuracy; quality procedures and processes are continually reviewed and monitored with protocols in place to deal with any non-conformity. Stewart Group's laboratories in Zacatecas, Mexico, and Kamloops, BC Canada are ISO 9001:2000 accredited.

Approximately 5% of the analysed samples are re-sampled and sent to ALS Chemex preparation facility in Guadalajara, Mexico. The samples consist of both coarse reject samples as well as pulp samples. The coarse material is crushed and pulverised according to the same protocol, and the pulp samples are air freighted to ALS Chemex's analytical laboratories in Vancouver, Canada, for analysis. Results from all duplicate analyses are compared to identify potential analytical or sampling errors.

Stewart Group and ALS Chemex Laboratories are independent of Arian.

The samples were analysed for a multi element scan by aqua regia digestion and ICP (inductively coupled plasma) finish. High-grade samples (>200 g/t Ag) were re-analysed by fire assay with a gravimetric finish.

About the Company

Arian is a silver exploration and development company and is listed on London's AIM; trades on London's "PLUS" market; is listed on Toronto's TSX Venture Exchange and on the Frankfurt Stock Exchange. Arian is active in Mexico, the world's largest silver producing country. The Company's main project is the San José project in Zacatecas State. Part of Arian's forward-looking strategy lies in the envisaged use of large scale mechanized mining techniques over wider mineralized structures, which reduces the overall unit operating cost of metals, and to build up NI 43-101 compliant resources.

Further information can be found by visiting Arian's website: www.ariansilver.com or the Company's publicly available records at www.sedar.com.

Qualified Person

The "Qualified Person" (as such term is defined in Canadian National Instrument 43-101) who supervised the preparation of the updated resource estimates for the San Jose Project, is Mr. Malcolm Titley, who is an employee and Principal Consultant and Director of independent consultants CSA Global (UK) Limited. Mr. Titley has reviewed, verified and approved the contents of this release.

Mr. Jim Williams, Eur Ing, Eur Geol, BSc, MSc, D.I.C., FIMMM, the Chief Executive Officer of Arian, is a "Qualified Person" as defined in the AIM guidelines of the London Stock Exchange, and a "Qualified Person" as such term is defined in Canadian National Instrument 43-101 ("NI 43-101"). This press release has been prepared under Mr. Williams' supervision. Mr. Williams has verified the data disclosed in this release including sampling, analytical and test data underlying the technical information included herein, and the mineral resource estimate disclosed herein.

Forward-Looking Information

This press release contains certain "forward-looking statements". All statements, other than statements of historical fact, that address activities, events or developments that the Company believes, expects or

anticipates will or may occur in the future (including, without limitation statements relating to the San Jose Project with respect to estimates in respect of mineral resource quantities, mineral resource qualities, the potential scope and context of the mineralized area, the potential for upgrading the mineral resource estimate and the Company's exploration and drilling targets, goals, objectives and plans. These forward-looking statements reflect the current expectations or beliefs of the Company based on information currently available to the Company. Forward-looking statements are subject to a number of significant risks and uncertainties and other factors that may cause the actual results of the Company to differ materially from those discussed in the forward-looking statements, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on the Company. Factors that could cause actual results or events to differ materially from current expectations include, but are not limited to: failure to establish estimated mineral resources, the grade, quality and recovery of mineral resources varying from estimates, risks related to the exploration stage of the Company's properties, the possibility that future exploration results will not be consistent with the Company's expectations (including identifying additional and/or deeper mineralization), changes in the price of silver, changes in equity markets, political developments in Mexico, uncertainties relating to the availability and costs of financing needed in the future, changes to regulations affecting the Company's activities, delays in obtaining or failures to obtain required regulatory approvals, the uncertainties involved in interpreting drilling and exploration results and other geological data and other factors (including exploration, development and operating risks).

Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Although the Company believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guaranteed of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.

The mineral resource figures disclosed in this press release are estimates and no assurances can be given that the indicated levels of silver and other minerals will be produced. Such estimates are expressions of judgment based on knowledge, mining experience, analysis of drilling results and industry practices. Valid estimates made at a given time may significantly change when new information becomes available. While the Company believes that the mineral resource estimates disclosed in this news release are well established, by their nature mineral resource estimates are imprecise and depend, to a certain extent, upon statistical inferences which may ultimately prove unreliable. If such estimates are inaccurate or are reduced in the future, this could have a material adverse impact on the Company.

Mineral resources are not mineral reserves and do not have demonstrated economic viability. Inferred mineral resources are estimated on limited information not sufficient to verify geological and grade continuity or to allow technical and economic parameters to be applied. Inferred mineral resources are too speculative geologically to have economic considerations applied to them to enable them to be categorized as mineral reserves. There is no certainty that mineral resources can be upgraded to mineral reserves through continued exploration.

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